

Brass in Business: Gen. Ridgway Next?

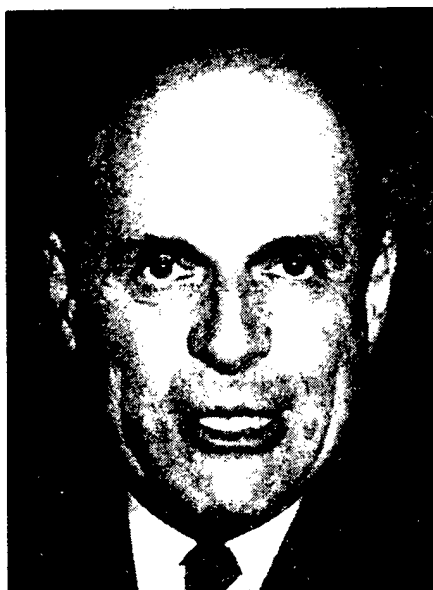
Look beneath the silver stars and golden stripes and chances are you'll find the makings of a top business executive. For, despite the well-worn line, old soldiers (and sailors and airmen) don't always fade away. Most retired brass, to be sure, end their days golfing, fishing, and puttering around the garden. But large numbers build themselves important new careers in business.

The latest who appeared ready to trade in his battle jacket for businessman's mufti is Gen. Matthew B. Ridgway, Army Chief of Staff. From Buenos Aires last week came word that he may become president of Industrias Kaiser Argentina, S.A., a Kaiser Motors Corp. subsidiary, when he retires next August.

The step from barracks to board room is in many ways a natural and easy one. Military men made many friends in the business world during the Korean and second world wars. Friendship led to job offers. These were doubly attractive. They presented an opportunity to do constructive work and, by building up the economy, to contribute to the nation's security. Gen. Omar N. Bradley, for example, took the job as chairman of the Bulova Research and Development Laboratories, Inc., largely because it gave him an "opportunity to continue to contribute to the defense of my country."

But friendship wasn't the only—or even the main—reason the brass went into business. Industry hired them for their know-how. For instance:

Administrative: Many generals and admirals constantly deal with large numbers of people and big procurement problems involving large sums of money,



Ridgway: No time for puttering

the same as any leading businessman. Gen. Lucius D. Clay knew nothing about manufacturing cans when he became chairman of the Continental Can Co. But he observed: "Guns, government, or cans, the art of administration is the same."

Technical: The services provide excellent training and experience in technical fields, especially engineering. Illustration: Admiral Ben Moreell organized the Seabees and built billions of dollars' worth of Navy bases around the world. That led naturally to his position as head of the Turner Construction Co. when he left the Navy. (He's now chairman of the Jones & Laughlin Steel Corp.)

Military: It's obvious that the brass, with their intimate knowledge of military requirements, can be very helpful to companies working on defense contracts. Gen. Joseph T. McNarney, a top Army and Air Force officer, brought along a trunkful of helpful hints when he became president of the Convair Division of General Dynamics Corp.

Prestige also plays a part. When James Rand invited Gen. Douglas MacArthur to become board chairman of Remington Rand, Inc., he did so for solid business reasons. But the fact that one of the nation's great military heroes heads up the business-machines firm can't fail to impress some of its customers.

Once they're on the job, how do the retired brass behave?

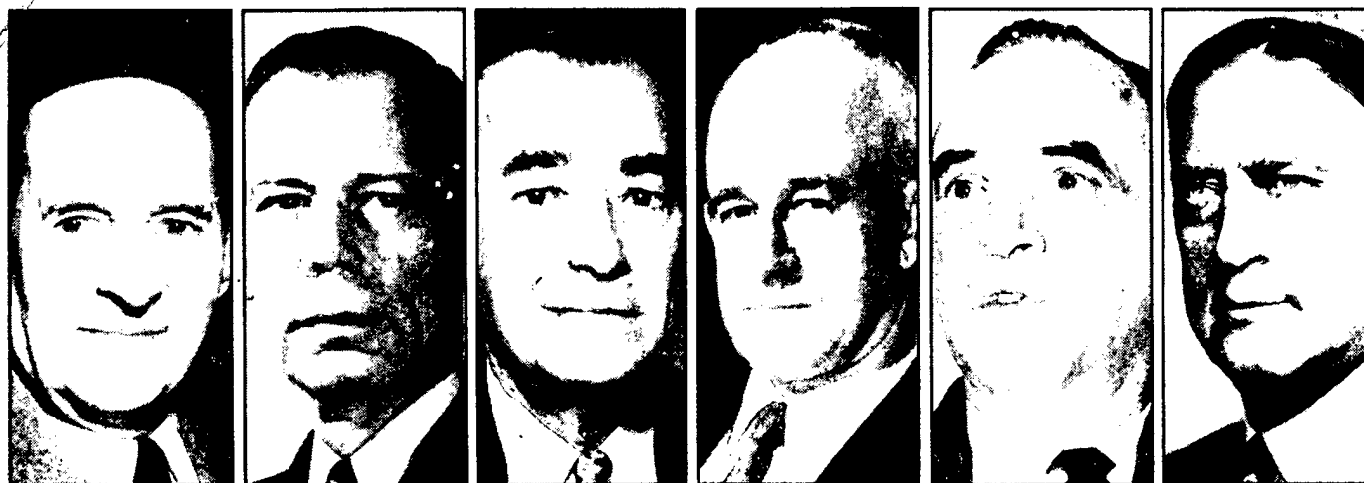
Not any different from executives with nonmilitary backgrounds. Some tend to bark orders (so do many nonmilitary business officials, for that matter). But the sharpness, when it occurs, wears off in a few months as admirals and generals adjust to give-and-take routine.

Here is a rundown on some of the more prominent brass in industry (with salaries, where available):

MacArthur operates at the policy level and shows special interest in Remington Rand's work on electronic computers. He presides at meetings of the board of directors and executive committee. Associates are impressed by his keen analytical powers and his sharp memory. MacArthur's salary and director's fees amount to \$68,800 a year.

Bradley is responsible for over-all policy guidance of the Bulova laboratories. He is free from the routine of day-to-day

OVER

International
MacArthur

Smith

McNarney

International
BradleyInternational
ClayInternational
Moreell

operations. The company does research and development in physics, chemistry, mathematics, and electronics. It is not a production firm. One of Bradley's specific jobs: He tries to find out what research problems bother the Pentagon and takes them back to Bulova.

Clay was made chairman of Continental Can in 1950. The company was after the administrative talents of the trouble-shooting general who ran the American zone of Germany for two years and broke the Berlin blockade with the daring airlift. He is, according to one thumbnail sketch, "a chaos-into-order man of global standing." Clay reorganized Continental's divisional setup, and is also one of the driving forces behind its diversification program which helped jump sales from \$398 million in 1950 to \$616 million last year. He receives \$108,000 a year from Continental Can.

Moreell was brought to Jones & Laughlin as president and chairman in 1947 "to get the physical plant modernized and competitive." The burly (6 feet, 205 pounds), genial admiral spent \$500 million, boosted ingot capacity and sales by 50 per cent. He was informal in the service, even as a four-star admiral, and remains that way. He gave up the office of president in 1952 but is still chairman, for which he is paid \$150,000 a year.

McNarney was chosen for the president's spot in Convair because of his combination of aviation and executive know-how. He has made excellent progress in his quiet but firm manner. He has established a long-range planning office at top management level, completely reworked corporate and division operating procedures, and initiated accounting and financial reforms which he watches like a hawk. Salary: \$100,000.

Gen. Walter Bedell Smith was tapped as vice chairman of the board of the American Machine & Foundry Co. when he left the State Department last October. AMF wanted him because of his

"vast administrative know-how." This week Smith was also made chairman and president of AMF Atomics, Inc., the new subsidiary which will be responsible for atomic-energy operations.

Lt. Gen. Leslie R. Groves also works for Remington Rand as a vice president, director, and chairman of the firm's administrative committee. He joined the company as vice president and director of its Norwalk laboratories division in 1948, a job to which he could apply the technical knowledge he gained as wartime head of the entire atomic-bomb project, a longtime Army engineer, and student at Massachusetts Institute of Technology. Affable—but aggressive—Groves does a lot of public speaking for the firm. He receives \$42,400 a year.

Lt. Gen. Albert C. Wedemeyer was named vice president and director of the Rheem Manufacturing Co. last summer. He acts as a general counselor to president R.S. Rheem, advising him on policy and procurement problems. Before joining Rheem, Wedemeyer was a vice president and director of Avco Manufacturing Corp. Associates at both firms say he has a fine analytical mind.

Lt. Gen. Elwood R. Quesada, quick-smiling, quick-thinking, and still very much the fighter pilot, became a vice president and director of Lockheed Aircraft Corp. in 1950 and general manager

of its new Missiles Systems Division in 1953. He was hired, Lockheed said, "because of his vast knowledge and experience over the whole range of military aircraft, with his very intimate knowledge of fighter aircraft and tactics."

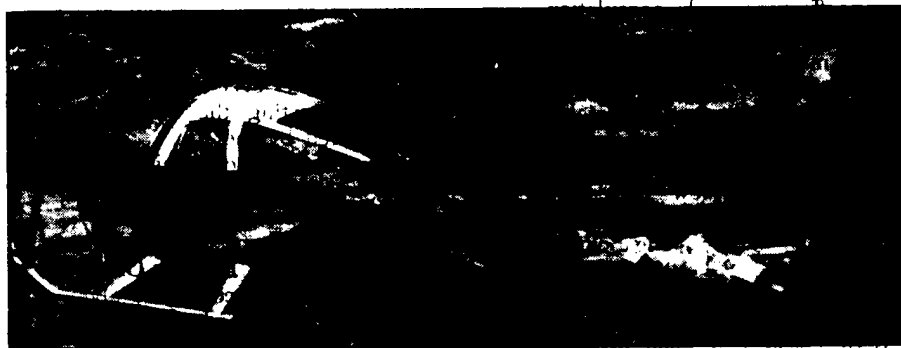
This, of course, is only a sprinkling of the nation's top fighting men who have exchanged their uniforms for business suits. Others undoubtedly will follow. And, judging from the impressive records the demobilized generals and admirals have already piled up, the nation's corporations will bid actively for the newcomers' services.

AVIATION:

Streamlined 'Copter

The helicopter industry has yet to catch up with earlier soaring predictions for its commercial future. Despite the dozens of potential helicopter uses—and all the talk about the day when company-owned or family-owned whirlybirds would darken the sky—there are still less than 300 privately operated helicopters in the U.S.

Back in 1952 the Cessna Aircraft Co. took aim at this potential market when it acquired the assets of the Siebel Helicopter Co., its neighbor in Wichita, Kansas. These assets included the company pres-



Cessna CH-1 on test flight: A pretty package with some surprises inside

7-17474week, May 12, 1955